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NEWS RELEASE

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Box Elder Man Admits Fraud in California Real Estate Investment, Consents to Order ***Rawlinson took money from investors to build homes in Beverly Hills, 12% interest promised.***

SALT LAKE CITY, Utah – Douglas K. Rawlinson, of Tremonton, consented to the entry of an order by the Utah Division of Securities finding that he misrepresented information when he sold securities. Rawlinson admitted the violations, agreed to cease and desist from any further violations, will pay restitution of \$10,000 to the victim, and must pay a fine.

Rawlinson was the bookkeeper for the Beverly Hills Development Corporation and its owner, Michael Fitzgerald. In the order against Rawlinson, the Division found that Rawlinson introduced five Utah residents to the investment in Beverly Hills. Rawlinson did not receive commissions for those sales and Rawlinson sent the money from four of those investors to Beverly Hills. The fifth investor gave \$20,000 to Rawlinson in July 2003, which was deposited into Rawlinson's bank account. Half the money was sent to Beverly Hills, but Rawlinson used \$10,000 to make a payment to a prior Beverly Hills investor. This investor received \$1,000 in interest payments before the investment scheme collapsed.

Rawlinson told the investor that Beverly Hills was a really good investment, that he would receive 12% interest annually, that the money would be used to build homes in Beverly Hills, and that the investor could get his money back at any time after six months so long as he gave 30 days notice. The investor received a promissory note signed by Fitzgerald. In January 2004, the investor requested a return of his investment and Rawlinson said it would not be a problem, but no money was paid until 2006 when the investor received \$1,194.45 from the receiver who is liquidating Beverly Hills Development.

Rawlinson admitted violating the antifraud requirements of the securities laws by making misrepresentations and failing to disclose important information in connection with the sales of securities. He is ordered to cease and desist from any further violations of the securities laws and fined \$10,500 – with \$10,000 of that fine designed to be paid to the victim as restitution.

Investors are urged to contact the Division to make sure anyone offering investments is licensed. 801.530.6600, or toll free at 1.800.721.7233. www.securities.utah.gov.